

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
FRESNO DIVISION

In re) Case No. 17-14112-B-13
)
ARMANDO NATERA,) DCN: FW-3
)
)
Debtor.)
)

RULING ON DEBTOR'S MOTION FOR SUMMARY JUDGMENT

Armando Natera ("Debtor") moves for partial summary judgment for an order: (1) granting this motion for summary judgment; (2) finding the bankruptcy petition was filed at 1:59:28 p.m. on October 25, 2017; (3) finding the automatic stay went into immediate effect; (4) finding the foreclosure sale of real property located at 2430 E. Orrland Avenue, Pixley, CA 93256 ("Property") conducted by Parker Foreclosure Services, LLC ("Parker Foreclosure"), was in violation of the stay; (5) finding the recording of the *Trustee's Deed Upon Sale* ("Trustee's Deed") in favor of Richard Barnes ("Barnes") was a knowing and willful violation of the stay; (6) finding Barnes' conveyance to the Michael Scott Lincicum and Mitzi Lincicum (collectively, the "Lincicums") was a knowing and willful violation of the stay; (7) finding because the original foreclosure sale was void, all acts and conveyances subsequent to the foreclosure sale are void; and (8) denying the motion to retroactively annul the automatic stay (TAT-2). Doc. #115. Debtor submitted a statement of undisputed facts pursuant to

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1 Local Rule of Practice ("LBR") 7056-1(a) in support of this
2 motion.

3 Roger S. and Sandra L. Ward (collectively, the "Wards")
4 timely opposed and submitted their responses to the statement of
5 undisputed facts. Docs. ##121-22. However, in responding to
6 Debtor's statement of undisputed facts, the Wards included new
7 facts numbered 9 through 19 that are purported to be the
8 undisputed material facts submitted by Debtor, to which the
9 Wards, in response, do not dispute. Doc. #122. These alleged
10 undisputed facts were not submitted by Debtor as indicated and
11 were erroneously attributed to Debtor by the Wards. Accordingly,
12 the court will STRIKE the Wards' "undisputed facts" numbered 9
13 through 19 as an insufficient defense, or redundant, immaterial,
14 impertinent, or scandalous under Fed. R. Civ. P. ("Civ. Rule")
15 12(f), as incorporated by Fed. R. Bankr. P. ("Rule") 7012.

16 Debtor replied. Doc. #144.

17 This motion for summary judgment was originally set for
18 hearing on October 27, 2021, on 42 days' notice as required by
19 LBR 7056-1 and in conformance with Rule 7056 and Civ. Rule 56.
20 Doc. #116. Because the pleadings were not settled in the
21 parties' related adversary proceeding, this matter was continued
22 to November 17, 2021, continued to February 9, 2022, then
23 continued to March 30, 2022, continued again to May 25, 2022,
24 continued a fifth time to July 27, 2022, and most recently was
25 continued to September 28, 2022. Docs. ##126-27; ##147-48; #151;
26 #165; #167; #193; #195; #205; #207; #213; #216. During the most
27 recent continuance, the court ordered that Debtor may augment
28 the record not later than August 31, 2022, any party file and

1 serve written opposition not later than September 14, 2022, and
2 any reply shall be filed and served not later than September 21,
3 2022. Doc. #216.

4 On August 31, 2022, Debtor submitted on his previously
5 filed motion, supporting documents, and reply brief, and
6 indicated that he will not otherwise be augmenting the record.
7 Doc. #225.

8 At the September 28, 2022, hearing, the court took the
9 matter under submission. Doc. #237.

10 Debtor and the Wards both request the court take judicial
11 notice of certain documents filed in this case and Debtor's
12 related adversary proceeding, Adv. Proc. No. 20-01035. Docs.
13 #118; #121. The court may take judicial notice of all documents
14 and other pleadings filed in this bankruptcy case, in the
15 related adversary proceeding, filings in other court
16 proceedings, and public records. Fed. R. Evid. 201; *Bank of Am.,*
17 *N.A. v. CD-04, Inc. (In re Owner Mgmt. Serv., LLC)*, 530 B.R.
18 711, 717 (Bankr. C.D. Cal. 2015). The court takes judicial
19 notice of the requested documents, as well as the pleadings
20 filed in this bankruptcy case, and Debtor's adversary
21 proceeding, but not the truth or falsity of such documents as
22 related to findings of fact. *In re Harmony Holdings, LLC*, 393
23 B.R. 409, 412-15 (Bankr. D.S.C. 2008).

24

25 FACTS

26 Debtor filed chapter 13 bankruptcy on October 25, 2017. The
27 time the petition was filed is in dispute. The petition contains
28 two timestamps: 1:59:28 p.m. in red ink, and 2:00 p.m. in

1 smaller black ink. Doc. #1. At 2:00 p.m. on that same day,
2 Parker Foreclosure conducted a foreclosure sale of Property.
3 Docs. #119, *Exs. A, D*; #122; #123, *Ex. A*. Barnes was the
4 prevailing bidder.

5 After the petition was filed, Debtor's representative,
6 Sylvia Gutierrez, spoke by telephone with Donald Parker, Parker
7 Foreclosure's owner, at 2:03 p.m. and informed him of the
8 bankruptcy.¹ Docs. #119, *Ex. B*; #122; #123, *Ex. A*. Since the sale
9 was scheduled for 2:00 p.m., the sale had already occurred by
10 the time Debtor's counsel's office contacted Parker Foreclosure.

11 *Id.*

12 The following day, Parker Foreclosure executed a Trustee's
13 Deed in favor of Barnes. Doc. #119, *Ex. H* to *Ex. C*. Parker
14 Foreclosure recorded the Trustee's Deed on October 30, 2017, in
15 the Official Records for Tulare County as Document No. 2017-
16 0066663 after receiving an email from the Vice President of the
17 title company stating that it was a legal sale and that the
18 bankruptcy did not, as a matter of law, prevent the recording of
19 the Trustee's Deed.² Doc. #119, *Ex. H* to *Ex. C*.

20 Parker Foreclosure informed Barnes of the bankruptcy via
21 facsimile on November 28, 2017 and advised him to obtain a
22 bankruptcy attorney to seek relief from the automatic stay.

23

24 ¹ There is a dispute as to whether Donald Parker "refused to take [the
25 case] number, insisting that he should have been notified before 8:00 a.m. on
26 the morning of the sale." Doc. #122. Ms. Gutierrez claims that she offered to
27 email Mr. Parker the case number, but that he refused to provide an email
28 address. Doc. #119, *Ex. B*. Barnes claims that Ms. Gutierrez was supposed to
send Parker Foreclosure a fax, but no fax was received. Doc. #123, *Ex. A*.

² The Wards claim that Parker Foreclosure recorded the Trustee's Deed
without "notice of the bankruptcy" because it was recorded only after
receiving an email from the title company stating that it was a legal sale
that could go forward. Docs. #122; #123, *Ex. A*.

1 Doc. #119, *Ex. I* to *Ex. D*. Though Barnes "held off for quite
2 some time" from proceeding with the eviction until the case had
3 been dismissed, he did not seek relief from the automatic stay
4 because he believed the sale was legal, allowing him to proceed
5 with recording the Trustee's Deed. *Id.*, *Ex. D*; *Ex. J* to *Ex. D*;
6 Docs. #122; #123, *Ex. A*.

7 On January 3, 2018, Debtor's bankruptcy case was dismissed
8 for failure to timely pay filing fee installment payments.
9 Doc. #36.

10 Thereafter, Barnes conveyed the Property to the Lincicums
11 by *Grant Deed* executed March 27, 2018 and recorded in Tulare
12 County on April 11, 2018. Doc. #119, *Ex. I* to *Ex. E*. The
13 Lincicums in turn conveyed the Property to the Wards by *Grant*
14 *Deed* executed June 14, 2018 and recorded in Tulare County on
15 June 21, 2018. *Id.*, *Ex. J* to *Ex. E*. Barnes claims that neither
16 the Lincicums nor the Wards knew of the bankruptcy prior to
17 Debtor's filing of the adversary proceeding. Docs. #122; #123,
18 *Ex. A*.

19 Debtor reopened this bankruptcy case on June 5, 2020.
20 Doc. #50. In response to the Wards' motion to annul the
21 automatic stay, Debtor filed this motion for summary judgment.
22 Doc. #115.

23

24

DISCUSSION

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I. Summary Judgment Standard

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Under Civ. Rule 56(a), summary judgment should be granted
only if the movant shows that there is no genuine dispute as to
any material fact and that the movant is entitled to judgment as

1 a matter of law. When considering a motion for summary judgment,
2 facts must be viewed in the light most favorable to the
3 nonmoving party only if there is a "genuine" dispute as to those
4 facts. Civ. Rule 56(c); *Scott v. Harris*, 550 U.S. 372, 380, 127
5 S. Ct. 1769, 1776 (2007). "[T]he mere existence of some alleged
6 factual dispute between the parties will not defeat an otherwise
7 properly supported motion for summary judgment; the requirement
8 is that there be no genuine issue of material fact." *Anderson v.*
9 *Liberty Lobby, Inc.*, 477 U.S. 242, 247-48, 106 S. Ct. 2505,
10 2509-10 (1986). When opposing parties tell two different
11 stories, one of which is blatantly contradicted by the record,
12 that no reasonable jury could believe, a court should not adopt
13 that version of the facts for the purposes of ruling on a motion
14 for summary judgment. *Scott*, 550 U.S. at 380.

15 "Where the record taken as a whole could not lead a
16 rational trier of fact to find for the nonmoving party, there is
17 no 'genuine issue for trial.'" *Matsushita Elec. Indus. Co. v.*
18 *Zenith Radio Corp.*, 475 U.S. 574, 587, 106 S. Ct. 1348 (1986).
19 "As to materiality, the substantive law will identify which
20 facts are material. Only disputes over facts that might affect
21 the outcome of the suit under the governing law will properly
22 preclude the entry of summary judgment." *Anderson*, 477 U.S. at
23 248, 106 S. Ct. at 2510. "[W]hile the materiality determination
24 rests on the substantive law, it is the substantive law's
25 identification of which facts are critical and which facts are
26 irrelevant that governs." *Ibid.*

27 The movant may not argue that its evidence is the most
28 persuasive or "explain away" evidence unfavorable to its

1 defenses; rather, it must show that there are no material facts
2 in dispute, or which can be reasonably resolved by a fact
3 finder. *Anderson*, *Id.*, at 250-51, 2511; *Davis v. Team Elec. Co.*,
4 520 F.3d 1080, 1089 (9th Cir. 2008) ("Summary judgment is not
5 appropriate" if a reasonable jury could find in the plaintiff's
6 favor.) (emphasis added). The Supreme Court has cautioned that
7 summary judgment should be denied in a case where there is
8 reason to believe the better course would be to proceed to a
9 full trial. *Anderson*, 477 U.S. at 250.

10 As the movant, the burden of proof is on Debtor. The court
11 must draw all reasonable inferences in the light most favorable
12 to the non-moving party, and therefore in favor of denying
13 summary judgment. *Anderson*, 477 U.S. at 255, 106 S. Ct. at 2513-
14. Further, the non-moving party's evidence is to be believed,
15 and all justifiable inferences are to be drawn in its favor.
16 *Hutchins v. TNT/Reddaway Truck Line, Inc.*, 939 F. Supp. 721, 723
17 (N.D. Cal. 1996).

18 If a summary judgment motion is properly submitted, the
19 burden shifts to the opposing party to rebut with a showing that
20 there is a genuine issue of material fact. *Henderson v. City of*
21 *Simi Valley*, 305 F.3d 1052, 1055-56 (9th Cir. 2002). "The
22 nonmoving party 'may not rely on denials in the pleadings but
23 must produce specific evidence . . . to show that the dispute
24 exists.'" *Barboza v. New Form, Inc. (In re Barboza)*, 545 F.3d
25 702, 707 (9th Cir. 2008), quoting *Bhan v. NME Hosps., Inc.*, 929
26 F.2d 1404, 1409 (9th Cir. 1991).

27 Ultimately, the court must grant summary judgment if the
28 movant shows that the record, taken as a whole, could not lead a

1 rational trier of fact to find for the nonmoving party as to any
2 fact that might affect the outcome of the suit under the
3 governing law, and the nonmovant does not meet their burden of
4 proof to refute the movant's claims.

5 Under Civ. Rule 56(g), if the court does not grant all the
6 relief requested, the court may enter an order stating any
7 material fact not genuinely in dispute and treat that fact as
8 established in the case. Debtor here asks the court to treat as
9 established several facts. As will be seen, these facts are both
10 material and genuinely in dispute.

11

12 II. Material Facts are in Dispute

13 Debtor filed bankruptcy on October 25, 2017, but the
14 petition has two timestamps on it: the 1:59:28 p.m. in red ink
15 and 2:00 p.m. in black ink. Wayne Blackwelder, the Clerk of the
16 Bankruptcy Court, has declared that the red ink timestamp was
17 affixed by the court upon filing. Doc. #119, *Ex. A*. The Wards
18 dispute this contention, but it is inappropriate to weigh Mr.
19 Blackwelder's testimony at the summary judgment stage.

20 Docs. #122; #123, *Ex. A*; #125. The Wards argue that until
21 receiving Mr. Blackwelder's declaration in connection with this
22 motion, the parties had assumed that 2:00 p.m. was the actual
23 filing time. That may be true, but on the face of the petition,
24 there is a genuine factual dispute on a material issue: when was
25 the petition filed? Since the record itself contains conflicting
26 information, it cannot be said that "no reasonable jury" would
27 find one time stamp more believable than the other.

28 ///

1 The remainder of this motion relies on the timing of the
2 filing of the petition. Since the timing in which Debtor filed
3 the bankruptcy petition is in dispute, the court is unable to:
4 (1) grant this motion; (2) determine what time the bankruptcy
5 petition was filed; (3) determine what time the automatic stay
6 went into effect; (4) determine whether the foreclosure sale of
7 Property conducted by Parker Foreclosure was in violation of the
8 automatic stay;³ (5) determine whether Parker Foreclosure's
9 recording of the Trustee's Deed in favor of Barnes was a knowing
10 and willful violation of the stay; (6) determine whether Barnes'
11 conveyance to the Lincicums was a knowing and willful violation
12 of the stay; (7) determine whether the original foreclosure sale
13 was void, as well as all acts and conveyances subsequent to the
14 foreclosure sale are void; and (8) deny the Wards' motion to
15 retroactively annul the stay.

16

17

CONCLUSION

18 Accordingly, Debtor's motion for summary judgment will be
19 DENIED on all counts because the timing of the filing of the
20 petition is in dispute, which is a material fact.

21 Additionally, for the reasons stated above, the court will
22 STRIKE the Wards' alleged undisputed facts numbered 9 through 19
23 filed on October 6, 2021, as docket no. 122.

24 **Dated:** Oct 04, 2022

By the Court

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26
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28 
René Lastreto II, Judge
United States Bankruptcy Court

³ We also do not have evidence of the time that the foreclosure sale actually occurred.

1 **Instructions to Clerk of Court**
2 **Service List - Not Part of Order/Judgment**

3 The Clerk of Court is instructed to send the Order/Judgment
4 or other court generated document transmitted herewith to the
5 parties below. The Clerk of Court will send the Order via the
6 BNC or, if checked , via the U.S. mail.

7 Peter L. Fear
8 Fear Waddell, P.C.
9 7650 North Palm Avenue, Suite 101
10 Fresno, CA 93711

11 Gabriel J. Waddell
12 Fear Waddell, P.C.
13 7650 North Palm Avenue, Suite 101
14 Fresno, CA 93711

15 Peter A. Sauer
16 Fear Waddell, P.C.
17 7650 North Palm Avenue, Suite 101
18 Fresno, CA 93711

19 Scott Lyons
20 1010 W. Main St.
21 Visalia, CA 93291

22 Armando Natera
23 560 W Pleasant Ave #49
24 Tulare, CA 93274-1873

25 Armando Natera
26 PO Box 590
27 Pixley, CA 93256

28 William E. Winfield
29 Nelson Comis Kettle & Kinney LLP
30 300 E. Esplanade Drive, Suite 1170
31 Oxnard, CA 93036

32 William E. Winfield
33 5811 Olivas Park Dr., Suite 202
34 Ventura, CA 93003

1 Richard Barnes
2 334 Fresh Meadows Road
3 Simi Valley, CA 93065-6817

4 Richard Barnes
5 Trustee of the Richard Allen Barnes Trust
6 Dated September 1, 2011
7 334 Fresh Meadows Road
8 Simi Valley, CA 93065-6817

9 Donald D. Parker
10 Parker Foreclosure Services, LLC
11 65 North Dos Caminos Avenue
12 Ventura, CA 93003

13 Zi C. Lin
14 Garrett & Tully, P.C.
15 225 S. Lake Avenue, Suite 1400
16 Pasadena, CA 91101

17 Mitzi Lincicum
18 2687 Korbel Court
19 Tulare, CA 93274-1638

20 Michael Scott Lincicum
21 2687 Korbel Court
22 Tulare, CA 93274-1638

23 Thomas A. Trapani
24 1550 Parkside Drive, Suite 300
25 Walnut Creek, CA 94596

26 Roger L. Ward
27 1461 East Court Avenue
28 Pixley, CA 93256

29 Sandra S. Ward
30 1461 East Court Avenue
31 Pixley, CA 93256

32 Office of the United States Trustee
33 United States Courthouse
34 2500 Tulare Street, Room 1401
35 Fresno, CA 93721-1326

1 Michael H. Meyer
2 PO Box 28950
Fresno, CA 93729-8950

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